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U. S. Department of Agriculture

Agricultural Marketing Service

Poultry Programs

Market News Branch

Romania

United States

January-March Quantity Export Comparisons to Romania (Volume in Metric tons)

Item	2002	2003	2004	2005	2006
Frozen Chicken					
Leg Quarters	1,886.9	6,469.0	9,109.5	13,342.1	21,214.9
Frozen Chicken					
Legs (Excludes					
Leg Quarters)	30.5.7	210.5	1,314.9	627.2	3,4435.3
Frozen Turkey					
Cuts	27.9	248.4	50.2	312.7	171.7

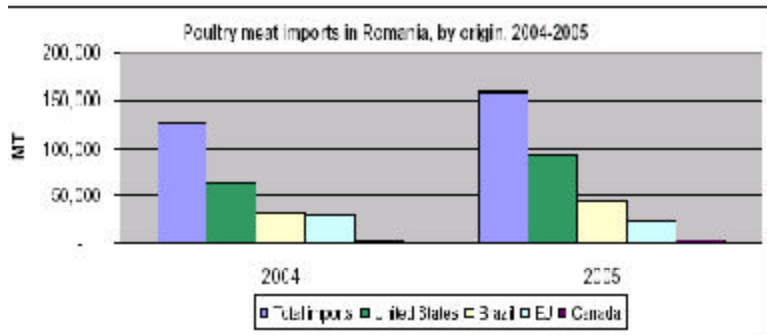
Source: USDA/FAS

Romania

January-December Volume Import Comparisons (Quantity in Metric Tons)

Item	2000	2001	2002	2003	2004
Chicken Meat	22,399	55,288	75,541	76,348	111,755
Turkey Meat	1,971	8,893	12,934	7,684	9,587
Eggs Liquid, Dried	2	47	49	12	78

Source: FAO



Source: Global Trade Atlas

Even though the European Union (EU) accounted for 53% of Romania's agri-food imports followed by the US at 8.9%, the United States (US) is the top supplier of poultry meat making up roughly 50% of the country's imports. For the US, Romania is considered one of the top 15 broiler parts export markets. What has helped to continue make Romania an attractive market is the change in monetary policy from an exchange rate to an inflation targeting regime in 2005 resulting in a stronger currency.

The change in monetary policy is also being used in preparation for EU accession. The Lei, Romania's currency, was also redenominated to encourage price stability and facilitate the future conversion to the Euro. Romania has the ultimate goal of joining the EU in 2008 and is adopting the needed legislation to accomplish this at a rapid pace. It is anticipated that once Romania harmonizes its

veterinary requirements with the EU all US exports will be banned to the country starting August 5, 2006. There are no US plants currently approved to export to the EU.

Romania has also created a new import schedule valid from February 16 through December 31, 2006. Tariff rates for two poultry products, defined by codes 0207 1420: for chicken halves and quarters, and 0207 1460: chicken leg halves and quarters, were temporarily increased for 6 months from February 16-August 15 to 70% from 45% in 2005. The situation was justified by authorities by the special situation triggered on the domestic market by the highly pathogenic avian influenza (AI) outbreaks. Even though total poultry meat imports decreased by 6% the first quarter of 2006 partly in response to the higher tariffs, US origin product increased 2%. However, monthly poultry imports from the US are still lower when comparing March, 2006 volume of 7,586 metric tons (MT) to the September, 2005 volume of 10,869 MT before the first AI outbreaks were discovered.

Since October at least 75 sites in Romania have been contaminated with H5N1 AI with at least a half million birds being culled and some noting up to 1 million might need to be culled in order to bring it under control. Poultry meat and products totaling 325 metric tons from the affected commercial farms have been removed from warehouses and retail chains. According to representatives of retail chains, poultry meat consumption decreased by 50-80% during the first days of the outbreaks and domestic producers claimed sales declined dramatically and storage space quickly filled up. Under the circumstances, the Ministry of Agriculture, Forestry and Rural Development has announced that it has considered increasing the current subsidy level given to domestic poultry producers.

Meanwhile, H5N1 has been confirmed in the capital city of Bucharest in the second district where there are more than 400 households and up to 4,400 chickens. The result is 13,000 people have been quarantined and 40 streets blocked off in Bucharest. The spread was possibly due to 1 farm selling live chickens without permits. Authorities have instituted a nationwide ban on the transport of poultry. The director of the veterinary agency and his deputy have been fired for failure to react properly in stopping the bird flu. Three others have been arrested for allowing a farm to sell chickens possibly infected with AI.

The EU had approved a resumption of poultry imports about 1½ months after the first outbreak in October, 2005 along the Danube River delta. The EU then re-instated the ban in May, 2006 until the end of the year with the start of the second outbreak of AI. The second outbreak comes as the country waits on a decision from Brussels on its joining the EU. EU officials have already expressed concerns about food safety in Romania along with organized crime and corruption. Romania also needs to improve collection and treatment facilities to meet EU food guidelines TSE and animal by-products.

Sources: USDA/FAS and numerous news sources.

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending May 20, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	0	412	3,789	6,592
Frozen	0	0	125	21
Dried	0	0	187	107
Total	0	412	4,101	6,720

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending May 20, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Liquid	81	86	1,197	3,259
Frozen	1	0	374	327
Dried	0	0	41	340
Total	82	86	1,612	3,926

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending May 20, 2006	Year-To-Date			
TYPE	2006	2005 1/	2006 2/	2005
Jumbo	0	0	150	33
Extra Large	3,900	6,700	34,786	98,312
Large	7,810	5,656	56,421	211,416
Medium	2,310	4,260	32,825	41,235
Ungraded	8,040	2,376	52,844	43,780
Misc	0	0	2,580	6,493
Total	22,060	18,992	179,606	401,269

1/ Comparable Week, to-date figures may not total due to rounding.

2/ Includes revisions to previous week(s).

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Source: USDA/AMS Poultry Programs, Market News Branch.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

May 26, 2006				
CHICKEN WITH SKIN ADDED				
	--- PRICES ---	---- VOLUME ----		
FAT				
CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	19.50	16.00	80,800	-
WTD AVERAGE	19.50	16.00		
15-20%				
RANGE	12.00-13.00	10.00-15.00	1,138,800	40,800
WTD AVERAGE	12.33	13.40		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

U.S./Canadian Live Poultry Slaughtered Under Inspection

W/E 20-May-06 (PRELIMINARY)

U.S. Fowl Slaughtered Domestically

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,211	1,635	2,846
Last Week	1,226	1,509	2,735
Same week yr ago	1,709	1,540	3,249
To-date/2006	23,842	29,052	52,894
To-date/2005	30,936	27,213	58,149

U.S. Fowl Slaughtered in Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	130	3	133
Last Week	208	0	208
Same week yr ago	370	0	370
To-date/2006	4,590	13	4,603
To-date/2005	5,848	26	5,874

Data Source: Agriculture and Agri-Food Canada, AISD, AID, Poultry Section

Total U.S. Fowl slaughtered in the U.S. and Canada

	Light Hens	Heavy Hens	Total Hens
-----Thousands-----			
Head	1,341	1,638	2,979
Last Week	1,434	1,509	2,943
Same week yr ago	2,079	1,540	3,619
To-date/2006	28,432	29,065	57,497
To-date/2005	36,784	27,239	64,023

Source: USDA/AMS Poultry Programs, Market News Branch

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

May 26, 2006				
CHICKEN WITH SKIN ADDED				
	--- PRICES ---	---- VOLUME ----		
FAT				
CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	15.50	15.00	446,000	-
WTD AVERAGE	15.50	15.00		
15-20%				
RANGE	14.75-20.00	12.00-15.00	1,396,000	676,000
WTD AVERAGE	17.29	13.33		
20% OR MORE				
RANGE	-	14.00	120,000	-
WTD AVERAGE		14.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, INCLUDING BULK MEAT and FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 26 MAY 2006.

The market tone on tom breast meat was mostly steady, balance of white meat steady to instances firm. Demand was moderate to good, but slowing due to the upcoming holiday weekend. Offerings of fresh tom breast meat mostly adequate, balance short to light. Trading was heavy on fresh tom breast meat for domestic shipments, moderate on tom drums for export, balance slow. For domestic: frozen hen and tom Grade A WOGs 81 for June-July shipments, fresh wing meat with skin 98-104 mostly 98, fresh scapula 124-127, Grade A basted 8-10 lb. breasts 135 and 12-16 lb. 170, plant grade basted 10-12 lb. breasts 138 cents delivered. For export: frozen thigh trim 36, tom defatted gizzards 58, fresh thigh meat 72, frozen thigh meat for Russia 98, fries 130 cents delivered.

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME	WEEKLY	WEEKLY
FRIDAY, MAY 26, 2006	RANGE	CODE 1/	PRICE	(000)	WTD AVG	VOLUME
					PRICE	(000)
DRUMSTICKS, TOMS	38.00-44.00		43.03	248	41.75	488
WINGS FULL-CUT - TOMS	27.00		27.00	40	27.00	40
WINGS, V-TYPE, TOM	39.00		39.00	104	35.67	312
TAILS		W	34.00	27	34.00	27
MECHANICALLY SEPARATED 2/	18.00		18.00	80	19.01	174
THIGH MEAT - FROZEN	67.00		67.00	52	68.51	294

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
THURSDAY, MAY 25, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	41.00		41.00	200
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	34.00	208
TAILS		W	34.00	27
MECHANICALLY SEPARATED 2/	17.00		17.00	40
THIGH MEAT - FROZEN		W	69.00	162

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
WEDNESDAY, MAY 24, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS	37.50		37.50	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	34.00	208
TAILS	34.00		34.00	27
MECHANICALLY SEPARATED 2/	22.00		22.00	54
THIGH MEAT - FROZEN	69.00		69.00	162

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
TUESDAY, MAY 23, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		R	38.56	320
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		M	34.00	208
TAILS		R	37.00	40
MECHANICALLY SEPARATED 2/		F	21.00	120
THIGH MEAT - FROZEN	68.00-69.00		68.50	80

EXPORT TRADING	PRICE	L.S.T.	WTD AVG	VOLUME
MONDAY, MAY 22, 2006	RANGE	CODE 1/	PRICE	(000)
DRUMSTICKS, TOMS		R	38.56	320
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM	34.00		34.00	208
TAILS		R	37.00	40
MECHANICALLY SEPARATED 2/		F	21.00	120
THIGH MEAT - FROZEN		F	68.50	40

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.